



## **GOVERNOR CHET CULVER**

### **Keynote Address**

**to the**

**American Council on  
Renewable Energy**

**Renewable Energy  
in America National  
Policy Forum**

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Thank you, Mike Eckhardt. It's my pleasure to be here today, and I appreciate the opportunity to speak with you, the members and directors of the American Council on Renewable Energy. We're here today to exchange ideas with each other, share our state and regional best practices, and finally, to respectfully ask the new Administration and Congress to move as quickly as possible to help us tap our nation's unlimited potential in renewable energy.

First, I want to tell you a little bit about my home state of Iowa. Our land between two rivers is blessed with people of strong character; a history that is rich; and as the Native Americans who came before us said, A Beautiful Land.

Our state has always been a state of exploration and innovation. We have a tradition of great Americans like George Washington Carver, Henry A. Wallace and Norman Borlaug, all with Iowa roots.

George Washington Carver was born a slave, yet constantly overcame enormous obstacles to become the first African-American graduate of and Professor at Iowa State University. He later took his God-given talents to Tuskegee Institute, where he revolutionized value-added agriculture.

Former Vice-President Henry A. Wallace, helped found Pioneer Hi-Bred International, now DuPont, which is one of the largest agribusinesses in the world. His invaluable work led to historic development in hybrid crop production, which literally helped save millions of lives around the world.

Finally, Norman Borlaug was born on a farm in Cresco, Iowa. He worked his way from a one-room schoolhouse all the way to a PhD in Plant Pathology. As a direct result of his research, wheat production took off in places like Mexico, India, and Pakistan, bringing food security to those in desperate need.

One out of every five people – a billion of the world's population – is alive today because of Norman Borlaug. And he's still working, at the age of 93!

These Iowans were and are visionaries! They constantly challenged themselves and those around them, in spite of many obstacles. They remained determined to help create a better world for future generations. And they succeeded.

Well, today, I believe we should challenge ourselves to emulate their commitment to pushing the limits of discovery.

The spirit of innovation and determination are American values that have been passed on from generation to generation.

For example, one of my heroes, President John F. Kennedy, also believed in the importance of a relentless pursuit of a new frontier. A generation ago, our great challenge was winning the race to space.

He challenged us to win the race, saying, We choose to go to the moon and do the other things, not because they are easy, but because they are hard; because that goal will serve to organize and measure the best of our energies and skills; because that challenge is one that we are willing to accept, one we are unwilling to postpone, and one which we intend to win.

Well, today, we have a new challenge, and that's why we are all here. Simply put, there is a renewable energy frontier open before us, and we must explore it immediately!

I believe it's our time to accept the challenge! Let's explore and discover – state by state, territory by territory - the unlimited potential which exists in renewable energy. I believe we can, and we will change the world – for the better – if we choose.

Let's build and embrace a common vision for an energy independent future! Let's 'push the limits' of discovery – because America and the world are counting on us.

Doing so will help us address the climate crisis, free our country from foreign sources of energy, create millions of green-collar jobs nationwide, and put us on a path toward energy independence.

Well, I believe we are up to the challenge! I believe this, because in Iowa, we've shown the nation and the world what is possible if you're willing to explore and discover this new renewable energy frontier.

Just forty years ago, Iowa was one of the most energy-dependent states in the country. Putting this in perspective, in 1970, we were second to last in energy production in the United States.

Well, what a difference a generation makes!  
Thirty-plus years of good public policy aimed at changing the way we produce, consume, and – most importantly – conserve energy, means now, we are an energy rich state.

And, this didn't happen by accident. It happened thanks to Iowa's abundant natural resources, significant research and development, the most productive farmers in the world, and a value-added agriculture industry second to none.

But most of all, it happened because Iowans decided to be bold. Iowans feel we have a responsibility to follow in the footsteps of those pioneers who came before us, like, Carver, Wallace, and Borlaug.

In addition, elected officials at every level chose progressive, innovative public policies, aimed at reducing our dependence on conventional energy options, and increasing renewable energy production.

For example, just eighteen months ago, working with the Iowa Legislature, we created the first ever, Cabinet-Level Office of Energy Independence, and appointed one of the most qualified national experts as its director: Roya Stanley.

Our federal partners also helped us along the way at critical times. As a result, we are fast becoming the renewable energy capital of the United States and the silicon valley of the Midwest.

We are focused on building the most diverse renewable energy portfolio possible. Here's what we've done. Iowa's biofuels industry has added over \$ 8 Billion dollars to the state's economy, and it's created or supported 50,000 jobs.

We now produce 30% of the country's ethanol. That's two billion gallons of ethanol per year! And, 25%, or, 250 million gallons of biodiesel.

We now produce more biofuels than we consume in gasoline, making Iowa a net exporter of biofuels.

So our commitment to renewable fuels is clear, but we are just getting started, and the possibilities are unlimited, especially as we work to develop the next generation of biofuels – like cellulosic ethanol.

For example, the POET Project Liberty, in Emmetsburg, Iowa. When complete, this will be the first commercially viable cellulosic ethanol plant in the country.

Now, I want to take a moment to recognize Jeff Broin, who will be speaking to you later this morning. He is the CEO of Broin Companies, the parent entity of POET.

This project is the perfect example of a state and federal, public and private partnership.

The State of Iowa is assisting with nearly \$15 Million in state funds, and the US Department of Energy is contributing \$80 Million in federal funds. And, with over 100 Million in private investment, this is a 200 Million dollar project!

But as I've said, we're building a very diverse renewable energy portfolio.

That's why today, there are more than one thousand, two hundred wind towers, producing clean, green energy – and there are plans for another thousand now.

And, as Co-Chair of the Governors' Wind Energy Coalition, I am very proud of the fact that Iowa now leads the nation per capita in wind generation. Our windmills in Iowa produce fourteen-hundred megawatts of clean, green energy. This is the equivalent to removing the emissions from over 800,000 cars from the atmosphere in a year's time, and reducing carbon emissions by billions of pounds.

And we've shown that what's good for our environment is good for our economy, too. Today, Iowa is one of only two states in the nation to manufacture the three component parts of a windmill – blades, turbines and towers.

And in just the last 24 months, 6 companies, Acciona, Siemens, Clipper, Hendricks, TPI, and Trinity, have decided to locate or expand their wind manufacturing operations in Iowa.

This represents 2300 new green-collar jobs and an investment of nearly a quarter of a billion dollars in our state.

It also serves as an example of what's possible when it comes to good public/private partnerships.

So, as you can see, we are doing some very exciting things in the area of biofuels and wind power in Iowa! But perhaps our best investment to date has been in the area of research and development.

As a candidate for office, renewable energy was the centerpiece of my campaign in 2006.

So, when I became Governor, I called for the creation of the 100 Million dollar Iowa Power Fund.

Working in concert with the Office of Energy Independence, to date, the fund has received 162 project applications, requesting over 300 million dollars – which proposed nearly a billion more in private investment.

The Power Fund has now committed to 19 of these projects in every part of the state, totaling \$30 Million dollars, and leveraging 180 Million dollars of private sector investment.

We did this to foster economic development, entrepreneurship, commercialization, and small business development.

These projects the Power Fund supports are cutting edge. For example, we're now experimenting with drying distilled grain with microwaves instead of natural gas.

And given the fact that Iowa has some of the densest biomass concentrations in North America, we're developing ways to convert biomass into briquettes which can be used instead of coal.

Additionally, the Power Fund resources helped created the Iowa Green Corps, the only program of its kind devoted solely to helping people conserve energy at home, and to show our young people the link between national service and energy efficiency.

And we've supported the Iowa Stored Energy Park.

This will take advantage of Iowa's underground rock formations as a potential storage area for air compressed by windmills – eliminating the concern of wind as only an intermittent source of power.

We've done this so we can make our entire state a laboratory, and so we can develop the next generation of renewable energy technologies in Iowa.

But the fact is, states are limited with what we can do on our own. And even with our regional efforts, such as the Midwestern Governors' Energy and Climate Stewardship Platform, and the Midwestern Greenhouse Gas Reduction Accord, which I fully support, we now need the new Obama-Biden Administration, and Congress to lead the way.

We need this, because national challenges demand national leadership.

So, here are five recommendations I urge the next Administration, and Congress, to take immediately after returning in January.

Number one. We need to fix the grid. As I said, states and regions are well-underway to changing the face of energy production through wind.

The industry is booming, not just in Iowa, but nationwide. According to AWEA, in 2008, the United States became the largest producer of wind energy in the world.

However, we continue to face real challenges related to transmission. A key barrier to transmission is cost allocation for new construction of higher capacity power lines. Increased capacity lines must be built, so energy produced in one state or region can be moved into areas of increased demand.

But before we can build these lines, we must develop an equitable system of funding and maintaining them.

A new, modern transmission system – and a fair way to pay for it – must be the cornerstone of a national goal of 20 by 30. This goal of 20% of all power generated by the year 2030, coming from wind, was set by the Department of Energy, and I believe it is very possible – if the federal government addresses barriers to transmission.

Additionally, The Federal Energy Regulatory Commission, and regional decision-making bodies have enormous influence regarding state and regional wind energy projects.

So, we need Congress to help us cut through regulatory red tape that very often hampers wind and transmission projects. We can't afford any more delays!

Number two: I want to take this opportunity to echo President-Elect Obama's call for at least a five year extension of the Wind Production Tax Credit, which is an essential piece of establishing wind energy as a feasible and permanent component of our national energy strategy.

Number three: It is time for a nationwide Renewable Portfolio Standard, or RPS. A national RPS is an essential foundation to our long-term commitment to industry expansion, and to help develop new technologies through research and development.

In Iowa, we have seen how effective an RPS can be. In 1990, we established the very first Renewable Portfolio Standard of any state in the country.

It was a modest amount, requiring investor-owned utilities to sell 105 Megawatts of renewable energy, which amounted to roughly 2% of all power purchased or produced before sale.

We did this to prime the pump, so to speak – to introduce next generation energy in communities statewide, oftentimes before perceived as being commercially feasible.

Well, it worked. Today, more than 8% of energy produced in Iowa comes from renewable sources, and we're just getting started.

States like Iowa have proved that a Renewable Portfolio Standard can help us break through technological barriers, encourage research and development, and open markets for producers.

Number four, we must work directly with the automakers, to produce and sell more flex-fuel vehicles. While we're producing record amounts of ethanol and bio-diesel, and even with the great potential of cellulosic, we are still having challenges related to the infrastructure and purchase of flex-fuel vehicles.

We need the automotive industry and petroleum marketers to build out the infrastructure needed to offer flex-fuel pumps at more stations nationwide.

And, why don't we have a flex-fuel hybrid on the market today? Let's do all we can to allow consumers greater choice when buying cars!

Fifth, and finally, we need a national plan for energy independence, and it starts with research and development.

Let's reaffirm our commitment to innovation and creativity! At the beginning of my remarks today, I mentioned the space race.

A generation ago, we won that race, because President Kennedy asked us to pursue what might have then seemed impossible. Well, now, another young President has issued a call to greatness.

So, in January, when President-elect Obama and Vice President-elect Biden take office, let's stand with them, and answer the call.

Let's take this opportunity, to pass the Obama-Biden comprehensive New Energy for America plan! The plan will create up to five million new jobs, by investing 150 billion dollars in clean energy over the next ten years.

And, energy efficiency is one of the best way to grow jobs – and quickly. As President-Elect Obama has said, a national commitment to energy independence will create millions of good, high-paying green-collar jobs of the future – just when we need them the most!

These jobs will be created not only through new construction – but also through improving structures which already exist – homes, businesses, and government buildings.

Energy audits, weatherizing, and retrofitting are critical to economic competitiveness, because energy efficiency saves money. Lower out-of-pocket costs for energy mean a stronger economy through increased consumer savings.

This future is one of hope, and of possibility. And it's within our reach. So, I ask all of you to join me in accomplishing these five goals. I stand ready to work with you, with other Governors, elected officials at every level, and with leaders in private industry nationwide.

But our march toward Energy Independence must be a citizens' effort. So, I challenge all Americans, to be a part of the 21st Century Renewable Energy Expedition.

In closing, I want to thank the members of ACORE, and all who are here today, for your commitment to renewable energy. Together, let's lock arms, work together, and embrace the change we need.

**END**

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